

U.S. DEPARTMENT OF ENERGY
FY 1998 CONGRESSIONAL BUDGET REQUEST
DEPARTMENTAL ADMINISTRATION
(Tabular dollars in thousands, Narrative dollars in whole dollars)

ECONOMIC IMPACT AND DIVERSITY

PROGRAM MISSION

The Office of Economic Impact and Diversity (ED) is mandated by legislation and Executive Orders to advise the Secretary of Energy on the impact of energy policies, programs, regulations, and other Departmental actions on minority communities, minority educational institutions, and small minority and women-owned businesses. The mandates include conducting a Socioeconomic Research and Analysis Program; supporting minority educational activities focused at various levels of the educational pipeline. These activities will provide the technical information and the scientific and educational foundation necessary to achieve efficiency in energy use and a more productive economy; provide management and technical assistance to minority communities, small and disadvantaged, women-owned and minority businesses, and financial institutions; direct the Department's equal employment opportunity and affirmative action programs, investigations of discrimination complaints, and counselling programs; lead the Department's Strategic Plan for Diversity; and manage the Department's Special Emphasis Program by sponsoring commemorative, training, and ethnic heritage programs.

The Office devises and leads diversity strategies that ensure full participation of all employees, and creates full participation with small and underutilized businesses and minority educational institutions. This will enable various segments of the population to compete effectively in the domestic and global economy.

The GOALS of the ED program are to:

- o Become a recognized leader among Federal agencies in managing diversity as a strategic imperative.
- o Ensure equitable opportunity for small, minority, and women-owned business to compete for contracts and subcontracts.
- o Promote collaborative efforts with educational institutions, federal agencies, and energy industry organizations to establish state-of-the-art research and development centers of excellence at the universities.
- o Conduct on-going research programs to determine the effects (including the socioeconomic and environmental effects) of national energy programs, policies, and regulations of the Department on minorities.

- o Implement the Department's whistleblower reform initiative. Establish the Employee Concerns Program to streamline the Department's resolution process and investigate reports of reprisals.
- o Ensure that the Department is addressing effectively, the provisions of Executive Order 12898 and that the environmental justice strategies are being implemented in an effective manner.

The OBJECTIVES related to these goals are to:

- o CONTRIBUTE TO OUR NATION'S ENERGY SECURITY AND INDUSTRIAL COMPETITIVENESS - Design initiatives for scientific training and research programs in the mathematics and science disciplines; support the development of the research and education infrastructure at Historically Black Colleges and Universities (HBCUs) and minority educational institutions; establish synergistic linkages with industry and the national energy laboratories which will increase the technical capabilities of the labor force in the energy industry and improve the current critical deficient levels.
- o CONTRIBUTE TO THE ENHANCEMENT OF MINORITY EDUCATION - Supports the research and education infrastructure at educational institutions; invest in human resources at all levels of the educational curriculum through improved scientific training and research experiences in mathematics, science, and engineering for both teachers and students; utilize the resources of Federal and private sector laboratories and energy technology industries.
- o PROMOTE THE GROWTH OF BUSINESS ENTERPRISES - Support economic incentives for small and disadvantaged, women-owned and minority businesses through focused linkages with government-funded programs, such as the Small Business Administration and the Small Business Innovative Research Programs, and to facilitate long-term investments.
- o **CONTRIBUTE TO THE DEPARTMENT'S COMMITMENT TO A POLICY OF "ZERO TOLERANCE"** - Implement guidance, policy, and investigate cases of reprisal against employees who raise environmental, safety, and health or site security issues.

PERFORMANCE MEASURES:

- o Fairness and equity in the contracting process.
- o Shared vision of diversity throughout the Department by assuring work force diversity.
- o Increase in the Department's support of Historically Black Colleges and Universities, to improve institutional infrastructure, support scientific research, and provide state-of-the-art research equipment as part of the overall support for minority scientists, engineers, and educational institutions.

- o Increase in the Department's use of small, minority, and women-owned businesses by the laboratories, facilities, field organizations, and headquarters.
- o Increase the contribution of the research program to the National Energy Modeling System and the Annual Energy Outlook, to incorporate equity and socioeconomic characteristics in these departmental analyses.
- o Level of satisfaction with the amount of environmental justice strategies implemented by the Department to address the communities impacted by our facilities and programs.
- o Increase the retrievable information in the complex-wide employee concerns database system which tracks the number, type, status and location of field concerns.
- o Develop a model Employee Concerns Program that will promote open communication between management and employees to facilitate full, fair, and final resolution of employee concerns and "whistleblower" cases.

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(\$ THOUSANDS)

I. Mission Supporting Goals/Ongoing Responsibilities:

The goals of the Office of Economic Impact and Diversity are to become a recognized leader among Federal agencies in managing diversity as a strategic imperative, to ensure equitable opportunity for small, minority, and women-owned business to compete for contracts and subcontracts, to promote collaborative efforts with educational institutions, federal agencies, and energy industry organizations to establish state-of-the-art research and development centers of excellence at the universities, conduct on-going research programs to determine the effects (including the socioeconomic and environmental effects of national energy programs, policies, and regulations of the Department on minorities, ensure that the Department is addressing effectively, the provisions of Executive Order 12898 and that the environmental justice strategies are being implemented in an effective manner.

Program Direction has been grouped into four categories:

Salary and Benefits provide funding for full-time permanent and other than full-time permanent employees in the following classes: Salaries and wages, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards, payments to funds for the benefit of employees, workmans compensation, and buyout compensation. A funding level of \$3,628,000 will be needed to maintain 42 full-time equivalent staff positions (11 FTEs will implement the Minority Economic Impact Programs; 7 FTEs will provide Small and Disadvantaged Business Utilization support activities; 3 FTEs will fulfill whistleblower reform initiatives; and 21 will support Civil Rights functions).

Travel provides funding in the amount of \$91,000 to perform site visits regarding minority educational institution assistance program activities, to conduct employee discrimination complaint investigations, to meet with minority business enterprises' communities and financial institutions, to provide support on minority related Secretarial trips, to sponsor the small and disadvantaged business management and technical assistance outreach activities; and to investigate unsafe and unhealthy whistleblower reports from Field Office employees.

Other Related Expenses provides funding in the amount of \$756,000 for special emphasis programs; discrimination complaint investigations by contractors; Employee Concerns information tracking system; services related to small and disadvantaged business activities/conferences, employees training and development; Historically Black Colleges and Universities/minority educational exhibits; and funding for items included in the working capital fund, for example, utilities, building operations/maintenance, telephone services, supplies, postage, copiers, and printing and graphics.

Program Support provides funding for three major areas of program emphasis which relate to Socioeconomic Research and Analysis, Management and Technical Assistance to Minority Business Enterprises, and Financial Assistance. In addition, effective programmatic actions are structured and implemented to improve the competitive posture of minorities and increase their employment and business participation rates in the high-technology energy industry. Economic Impact Programs focus on (a) identifying effective energy programs and policy options which may reduce the adverse impacts of energy regulations and Departmental programs on minorities, (b) develop and implement effective educational, technical, business, and financial assistance programs which will increase the economic situation for minorities through their participation in the procurement opportunities of the Department and the energy industry, and (c) support other Departmental initiatives in the sciences, mathematics, engineering, and energy technologies, and in public policy assessments.

II. Funding Table:

	FY 1996 Current <u>Appropriation</u>	FY 1997 Original <u>Appropriation</u>	FY 1997 <u>Adjustments</u>	FY 1997 Current <u>Appropriation</u>	FY 1998 Budget <u>Request</u>
Personnel Comp and Benefits	\$3,552	\$3,798	0	\$3,798	\$3,628
Travel	96	91	0	91	91
Support Services	0	0	0	0	0
Working Capital Fund & Other Related Expenses	<u>135</u>	<u>665</u>	<u>0</u>	<u>665</u>	<u>756</u>
Subtotal	\$3,783	\$4,554	0	\$4,554	\$4,475
Minority & Economic Impact Programs	2,900	1,500	0	1,500	2,320
Total Obligation Authority	\$6,683	\$6,054	0	\$6,054	\$6,795
Adjustments:	<u>-54</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Budget Authority	\$6,629	\$6,054	0	\$6,054	\$6,795
FTEs	50	45	0	45	42

III. Performance Summary:

FY 1996 and FY 1997 Measurable Performance Activities:

- o Developed new version of the Minority Energy Assessment Model (MEAM). MEAM facilitates analyses and is used by public utility commissions, researchers, energy organizations and DOE's National Energy Modeling System.
- o Research has been initiated on the impact of brownfield/greenfield industrial location patterns on minority employment and earnings. An overview paper entitled "The Impact of Environmental Degradation on Urban Development and Industrial Location Behavior: A Heuristic Approach," was written and presented at international conferences.
- o Distributive Impact Assessment Module(DIAM) was used to disaggregate projected energy consumption patterns by race and Hispanic ethnicity for a preliminary patterns by race and Hispanic ethnicity for a preliminary scenario of the 1966 Annual Energy Outlook.
- o Develop numerical procedure for projecting household population by Hispanic ethnicity, race and housing type.
- o Partnered with the Hispanic Society of Professional Engineers to sponsor a major Environmental Conference for the purpose of assisting Hispanic communities to become more aware of environmental issues.
- o Sponsored the second year of the Minority Technical Education Program with 8 community colleges, resulting in 140 honor student awards and 8 university bridge programs, which assisted over 350 and over 30 student transfers from community colleges to 4-year institutions.
- o Refocused the cooperative agreement with the African Electrification Foundation to emphasize more involvement of the Historically Black Colleges and Universities in infrastructure activities in South Africa.
- o Expanded the partnership with the National Association for Equal Opportunity in Higher Education (NAFEO) that resulted in more than 140 student interns from more than 50 minority educational institutions. Also partnered with NAFEO to sponsor 4 workshops with minority educational institutions to provide technical assistance and information on private sector partnerships.
- o Furthered the goal of diversifying America's science and technology related workforce by utilizing the Minority Technical Education Program.

III. Performance Summary:

FY 1996 and 1997 Measurable Performance Activities (Cont'd)

- o Provided developmental funds for education institutions to establish alliances with departmental contractors through Cooperative Developmental Energy Program.
- o Established partnerships between education institutions, and local education community to improve the science and technological competency of precollege students.
- o Supported partnerships with education institutions to encourage the pursuit of science and technology related careers and higher education by precollege students.
- o Promoted increased participation of minority education institutions in federal programs and activities by providing access to technology based information networks.
- o Maintained the Bank Deposit program by sustaining \$202 million in minority financial institutions in 24 states including the District of Columbia and American Samoa.
- o Increased the number of research related activities in which minority institution faculty members and graduate students were involved, and provided equipment and infrastructure support to these institutions.
- o Completed the development of the Department's Hispanic Outreach Initiative Program.
- o Distributed the Hispanic Outreach Initiative publication and the Secretary's policy statement to all DOE facilities and stakeholders.
- o Completed the preparation and held the Department's Small Business Training Conference Awards Ceremony.
- o Participated in the newly established SBA "Women-Owned Business Procurement Pilot Program."
- o Prepared and disseminated Women-Owned Business "ONE-STOP" information packet.
- o Established a department-wide Business Communication Center.
- o Published an annual "Forecast of Contracting and Subcontracting Opportunities."

- o The Minority Energy Information Clearinghouse planned, designed and implemented Economic Impact and Diversity Home Page. Researched and responded to approximately 350 written general inquiries from the public sector and other governmental agencies regarding the Department's minority economic impact programs and activities.
- o Established the Office of Employee Concerns which will open communication between management and employees to facilitate fair and final resolution of employee concerns and old "whistleblower" cases. Held field site managers meeting; produced year-end report reflecting the status of DOE-wide employee concerns; developed internal policy guidance; planned pilot process to bring closure to "old" contractor whistleblower cases; and facilitated a resolution of a series of pending employee concerns at the Pantex Plant through direct intervention.
- o The Office of Civil Rights closed 135 formal discrimination complaint cases; completed 42 "final decisions"; settled 21 discrimination complaint cases; processed 148 new complaint cases; and processed 132 Headquarters requests for employee counselling.
- o Developed a "Program Monitoring System for Measuring Workforce Diversity", and completed the Department's Disabled Veterans Affirmative Action Program, Federal Equal Opportunity Recruitment Program, civil rights compliance review for Federally Assisted Programs, and other various affirmative action reporting requirements. Conducted 99 pre-award compliance review for grants totalling \$172 million.
- o Special Emphasis activities continued to promote ethnic and cultural awareness by sponsoring 10 commemorative events; held workshops for the Federal Women's Program; and sponsored other activities educating employees on the contributions of various work force segments.
- o Continued vigorous outreach activities and program guidance through Diversity programs in identifying the advantages of a diverse workforce. Implemented improvements in the Department's diversity record by ensuring small and disadvantaged business concerns are visible. Provided guidance to both Field and Headquarters regarding diversity strategies while addressing furloughing and/or downsizing plans.

FY 1998 Measurable Performance Activities:

Goal 1: Strengthen Partnerships with Employees

- o Establish shared values throughout the Department in support of our vision of diversity. Integrate diversity into the Department's total quality management initiatives.
- o Continue Diversity Council initiatives and training. Implement plan for diversity advocacy and assuring diversity.

FY 1998 Measurable Performance Activities: (Cont'd)

- o Partner with the Office of Personnel to (a) Incorporate diversity goals into performance reviews and reward systems, (2) Ensure career development and training opportunities are utilized to support diversity goals, (3) Integrate work force diversity goals with operational and organizational activities.

Goal 2: Enhance Partnerships with Small, Minority and Women-Owned Businesses

- o Review all procurement requests valued in excess of \$3 million to ensure maximum opportunities for minority business enterprises. Ensure equitable opportunity to compete for subcontracts.
- o Provide technology transfer opportunities domestically and internationally.
- o Recommending tools to increase minority and women-owned business representation to DOE contracting programs.
- o Increase access of minority entrepreneurs to technologies and scientific expertise in the Department's laboratories, field organizations, and headquarters.
- o Maximize opportunities in environmental restoration, and energy efficiency and renewable areas.

Goal 3: Partner with Minority Educational Institutions

- o Convene an Annual Symposium for diverse educational institutions to showcase and share their research accomplishments with Departmental program offices, DOE laboratories, and the energy industry for the purpose of forging at least 3 cooperative research and development agreements and partnerships.
- o Reduce barriers to effective collaboration and innovation by convening two meetings per year of educational institution presidents and concerned community leaders.
- o Implement at least one new interagency agreement between diverse educational institutions, other federal agencies, and the energy industry for the purpose of establishing one new high technology research and development center at one of these institutions.
- o Facilitate collaborative research and development efforts between educational institutions and the Department's national laboratories by sharing facilities and human resources.

FY 1998 Measurable Performance Activities: (Cont'd)

- o Provide developmental funds for cooperative programs which encourage underrepresented students to pursue science, engineering and technology careers.
- o Develop strategies to fuse the education and training missions of the universities with the needs of the energy industry and the basic research need of our national laboratories.

Goal 4: Partner with the Community

- o Implement the Socio-Economic Research and Analyses Program by providing analytical and data tools to help assess the distributive effects of policies, programs, and activities associated with DOE's five business lines -- industrial competitiveness, energy resources, science and technology, national security, and environmental quality.
- o Implement Environmental Justice Executive Order, identify departmental activities that disproportionately affect human health and the environment and provide improved means for participation of low-income and minority communities.
- o Implement Congressional and Secretarial Hispanic Outreach initiatives.
- o Improve and maintain the Minority Bank Deposit Financial Assistance Program.
- o Improve information data base of public requests for minority business and education-related information.

IV. Explanation of Funding Changes FY 1997 to FY 1998:

- o The decrease of \$170,000 in Personnel Compensation and Benefits reflects the cost of downsizing in FY 1997 (-\$161K.), elimination of separation costs (-\$153K); partially offset by the payraise (+ \$142K), and other (+ \$2K).
- o The increase of \$.8 million in program support is related to:
 - Implementing Executive Order 12900 "Educational Excellence for Hispanic Americans". Management and technical assistance will be geared towards increasing education opportunities for Hispanic Americans to participate in and benefit from Federal education programs. + \$450k

Explanation of Funding Changes FY 1997 to FY 1998: (Cont'd)

- Establishing program activities to encourage and assist high tech minority enterprises in the vast environmental restoration arena and developing focused linkages to assist small and disadvantaged businesses. + \$180k.
- Restore Historically Black Colleges and Universities' technical assistance initiatives to enhance math and science curriculums. + 190k
- o The increase of \$.09 million in other related expenses continues activities for the new Office of Employee Concerns.

<u>Other Related Expenses</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1998/FY 1997 Change</u>
Working Capital Fund	\$ 0	\$ 597	\$ 597	\$ 0
Civil Rights	135	68	68	0
Employee Concerns	<u>0</u>	<u>0</u>	<u>91</u>	<u>91</u>
Subtotal, Other Related Expenses	\$ 135	\$ 665	\$ 756	\$ 91

RESEARCH

PROGRAM PERFORMANCE SUMMARY

I. Funding Schedule:

PROGRAM ACTIVITY	FY-1996 ENACTED APPROPRIATION	FY-1997 APPROPRIATION	FY-1998 BUDGET REQUEST
Data Development and Minority Energy Assessment Models	\$ 230	\$ 150	\$ 150
Policy Assessments and Analyses	50	0	0
Technical Market Analysis and Information	200	0	0
Total, Research	\$ 480	\$ 150	\$ 150

II. Mission Supporting Goals and Objectives:

The Socioeconomic Research and Analysis Program is mandated by P.L. 95-619. In carrying out this mandate, the Department recognizes the fact that our Nation's ability to compete in a global economy depends on the development of our national resources among all segments of the population. Outputs: Continue at a significantly reduced level of effort, to develop and enhance the analytical tools and software to (a) provide a credible quantitative framework for long-term analysis of energy environmental issues, (b) assist the Department in building a consensus on energy issues, (c) assess the impacts of energy programs, policies, legislative and regulatory proposals, (d) establish innovative methods by which massive energy and socioeconomic data base systems can be integrated for long-term analyses and forecasting of energy and environmental data and other information and (e) development of distributional analysis module for the National Energy Modeling System for impact decisions by geographic regions, low-income groups, and Native American Tribal governments. Outcomes: Enhanced decision making capability; timely and cost-effective analyses on the comparative impact of policies, regulations and other actions; increased stakeholder awareness of energy issues affecting different population segments on a comparative basis; development of unique analytical tools to input equity considerations in the formulation and evaluation of energy policy.

MANAGEMENT AND TECHNICAL ASSISTANCE

PROGRAM PERFORMANCE SUMMARY

I. Funding Schedule:

PROGRAM ACTIVITY	FY-1996 ENACTED APPROPRIATION	FY-1997 APPROPRIATION	FY-1998 BUDGET REQUEST
Minority Educational Institutions Support	\$ 1,735	\$ 600	\$ 1,240
Minority Energy Information Clearinghouse	123	0	0
Minority Business and Community Development	382	570	750
Total, Management and Technical Assistance	\$ 2,240	\$ 1,170	\$ 1,990

II. Mission Supporting Goals and Objectives

The Office of Economic Impact and Diversity is mandated by P.L. 95-619 to provide Management and Technical Assistance to minority educational institutions and minority business enterprises to enable them to participate in market research, planning, economic and business analysis, and program and contract opportunities within the Department. The implementation of ED's program strategies for management and technical assistance can contribute significantly to the new incentives and goals and vision of the Department to technical and economic development strategies. To augment these efforts, the Minority Information Clearinghouse serves as a centralized repository and dissemination point. Outputs: Enhance minority participation in the energy technology industry by supporting the research and education infrastructure at minority educational institutions. Invest in human resources at all levels of the educational curriculum through improved scientific training and research experiences in mathematics and sciences, for both students and teachers. Incorporate the technical resources of Federal and private sector laboratories and energy technology industries to assist underrepresented students to pursue careers in mathematics and sciences. Encourage innovation and business entrepreneurship which will improve the level of competition in the energy arena. These programs enhance the technical capabilities of our Nation's human resources and facilitate the Department's contribution to heightening the Nation's energy, economic and environmental needs. Outcomes: Convened two symposia to promote collaborative research and development partnerships; participated in nine workshops, conferences, and demonstration projects of collaborative businesses and educational assistance efforts; directly assisted over 700 elementary and junior high school students and supported and provided more than 35 assistance grants to Historically Black Colleges and Universities and other minority institutions.

FINANCIAL ASSISTANCE PROGRAM

PROGRAM PERFORMANCE SUMMARY

I. Funding Schedule

PROGRAM ACTIVITY	FY-1996 ENACTED APPROPRIATION	FY-1997 APPROPRIATION	FY-1998 BUDGET REQUEST
Bank Deposit Financial Assistance	\$ 180	\$ 180	\$ 180
Total, Financial Assistance	\$ 180	\$ 180	\$ 180

II. Mission Supporting Goals and Objectives

The Bank Deposit Financial Assistance Program is mandated by P.L. 95-619, to provide short-term deposits of Federal funds in minority-owned financial institutions. Output: Under this program, non-appropriated funds obtained through consent decrees in the Economic Regulatory Administration's Petroleum Violation Escrow Account are deposited in short-term certificates of deposit in minority financial institutions, to be used as the additional capital for loans and investments in their respective minority communities. Outcome: The current funding level has grown more than 400 percent since 1993, and is 12 times larger than the program's original allocation of \$20 million in 1980.